

Final Minutes

Exeter Board of Selectman

July 24, 2017

1. Call Meeting to Order

Chairman Don Clement called the meeting to order at 7:00pm in the Nowak Room of the Exeter Town Offices building. Present were Vice Chair Anne Surman, Clerk Kathy Corson, Selectman Dan Chartrand and Selectwoman Julie Gilman. Town Manager Russell Dean was also present.

2. Bid Opening – Contract 3, Wastewater Facility Project (Main Pump Station and Force Main)

Bids were opened for the Town of Exeter Contract 3 Main Pumping Station Upgrade. The first bid was from T Buck Construction in Auburn, Maine. The bid was for 3,552,402 dollars. The second bid was from Apex Construction Company in Somersworth, New Hampshire. The bid was for 4,546,720 dollars. The third and final bid was from Penta Corporation in Moultonborough, New Hampshire. This bid was for 3,838,400 dollars.

MOTION: Selectman Chartrand moved to forward the bids to Public Works. Selectwoman Surman seconded, and the motion passed unanimously.

3. Public Comment

Mike Dawley, an Exeter resident, came to the microphone to ask a question about the 79e policy. He wanted to know where the policy came from, as he voted for it and did not realize the broad scope it would have. The board answered that it was discussed at the economic development commission. Town Manager Russ Dean said that he could not remember the specific timeline, but in 2014 the Economic Development Commission had meetings to develop incentive programs and that 79e was one.

Mr. Dawley stated that he had some confusion over Portsmouth Avenue and the scope of the residential properties covered by 79e. The board answered that 79e was only limited to the downtown business section, not the entirety of Portsmouth Avenue. Further, houses could be a part of the 79e district because it promoted housing stock. Selectman Chartrand said that districts are outline by zoning, so the voters voted for the zoned districts and zeroed in on C1 districts. Selectwoman Corson said that the inclusion of Portsmouth Avenue was to promote a flexible voting district. Selectman Chartrand continued that there was a lot of discussion at the Economic Development Commission, and 79e was recommended to vote on. The Board of Selectmen put it on the ballot.

4. Minutes and Proclamations

The minutes of the July 10th, 2017 meeting were discussed and amended. In section 5, "Appointment", the word "scheduling" needs to be added in front of the final word

“conflict”. In page 4, the 3rd paragraph, Roger Wakeman’s last name should be added. Finally, in page 2, where it says, “The owner of Ernest Ave...”, this section should be broken up into further paragraphs. The board decided to wait to approve the minutes.

a. Proclamations/Recognitions – Principles of Paris Climate Accord, Parks/Recreation Month

Selectwoman Corson read the proclamation that the Town of Exeter would be committing to uphold the principles of the Paris Climate Accord by reducing greenhouse gas emissions. The town agrees to explore alternate energy sources, seek green building technologies, work to reduce energy consumption, invest in fuel efficient vehicles, adopt a complete streets policy, and to enhance the resources of green forested areas. It was also noted that the Master Plan speaks to the town’s mission of practicing sustainability. The proclamation was signed on July 24th, 2017.

Denise Short, a 13-year resident of Exeter, came to the microphone to speak on behalf of Exeter Rises. Exeter Rises is a diverse local network within Exeter dedicated to building a stronger community. She thanked the Selectboard for adopting this proclamation and for their willingness to directly affect climate change. She also noted that Exeter joins other towns such as Durham and Portsmouth in adopting this proclamation.

Anna Grager, an 8-year resident of Exeter, spoke next about stewardship and how important this value was to consider our shared environment. She thanked the Selectboard for their commitment to preserving and enhancing the sustainability of Exeter.

Other residents also came to the microphone to speak and to thank the board, including a woman named Marcy, who stated that since we depend on our natural resources for food, tourism, and more, that this proclamation would bring empowerment and hope to the community of Exeter. Cliff Senate of Exeter said that this proclamation was the perfect example of acting locally and thinking globally. Eileen Flockhart said that she was delighted to see this proclamation happen. A Kensington resident, who did not identify herself, spoke and said that they were going to try to get this proclamation signed in Kensington.

One resident, Jen Brackett Piskovitz, said that the board was taking excellent steps toward addressing climate change, but pointed out the challenge of keeping the public aware of such changes and proclamations. She suggested a committee to keep the public engaged in decisions such as these. Chairman Don Clement responded that sometimes adhoc committees are created, however, we would need to formulate the task and mission of the committee. Something may come out of the Master Plan that recommends the same thing, and also, they would like one same-focus committee instead of many little ones. Selectman Chartrand volunteered to look into it further, and it was decided that it would be an agenda item in the future. Ms. Piskovitz asked if the Conservation Commission would play a role, and Chairman Clement said that it possibly could. Todd Piskovitz, of the Conservation Commission, spoke up and said that they would like to be a part of that.

Selectman Chartrand thanked Exeter Rises for coming and for their sense of urgency, which likely pushed the board to move faster in their decision, he said. Selectwoman Surman addressed the importance of citizen involvement, and said that each citizen should have the opportunity to support what the board is doing with this proclamation. She questioned that perhaps there was a better venue for this proclamation such as the town meeting, and suggested bringing a petition forward to get the whole town behind it. She decided to abstain from the vote because she did not believe the venue, on this level, is where it should be.

MOTION: Selectman Chartrand moved to accept and promulgate this proclamation. Selectwoman Gilman seconded. The vote passed 4-0-1, with Selectwoman Surman abstaining.

The second proclamation read was to designate July as Parks and Recreation Month in the town of Exeter. Selectwoman Corson read the proclamation which stated that the Parks and Recreation department is an integral part of communities, is vitally important to quality of life, contributes to environmental and economic wellbeing, builds healthy and active communities, and improves the mental health of all. She also read that Parks and Recreation increases economic prosperity, are fundamental to the environment, improve water and air quality, produce habitat and vegetative buffers, and serve as a place for people to connect with nature.

MOTION: Selectwoman Surman moved to accept this proclamation. Selectwoman Gilman seconded. The vote passed unanimously, 5-0-0.

5. Approval of Minutes

a. July 10th, 2017

The Board decided to wait to approve these minutes until after the changes listed above were made.

6. Appointments

None were discussed.

7. Discussion/Action Items

a. Finance Department Report and Quarterly Financial Report

Doreen Chester spoke about the Finance Department's latest report. She began by saying that the town had borrowed a 3.3 million dollar bond anticipation note 2 years ago, which has now been paid off at 3.345 million dollars. This was used for the wastewater treatment plant design cost and was rolled into an SRF loan. Also, the bonding for Lincoln Street Phase 2 and the Court Street Culvert was at 4.183 million dollars for those projects. She has also been working on leases that passed on the warrant articles, and has finished the resolutions for the John Deere loaner backhoe and the Liberty International dump truck. They are now just waiting for delivery.

The next big project she was working on is the Munis conversion, which is set to go live in September. They are moving forward with general ledger, cash management, accounts payable, purchase order, fixed assets, and project accounting. There will be a lot of training for this, and managers will learn how to do work flow approval processes. This project is important because it will make things more computerized and increase storage. The next phase for this project is Payroll/HR, then Revenue Cycle.

As for revenues, as of June 30th, 2017, the general fund compared to last year, revenues were at 10.2 for each quarter. Taxes were billed at this time of year and they had a 97-98% collection rate. For building and permit fees, they collected 336,000 dollars. The town planned for 400,000 dollars for the year for this, and is almost surpassing it at this point. Selectman Chartrand had a question about the Main Street project, asking if we had forgiven the fees for them yet. Russ Dean responded that he believed that we had, it was just in the process.

For general fund expenses, legal has gone down, election expenses are down, planning and building/inspection expenses are about 49% against budget. This was due to the fact that the town didn't have a planner at the beginning of last year. There was not much to report for finance. For the police and fire departments, last year the police department had a police chief vacancy which led to variances. This year, all the positions were full until the month of June. The fire department is spending about the same as the police. Vacation replacement is already 92% spent, sick replacement is 29,000 dollars spent against the budget due to extra illnesses more than usual this year.

Russell Dean said that there were two long term injuries in the fire department, which had caused them to miss about 4 months of work. Chairman Clement said that we should work with the fire department to extrapolate, and asked if they would exceed that budget item, and if so, by how much. Dean said they had been working on getting data for that. Selectwoman Surman asked if the other firefighters were paid overtime when they were called in. Dean answered that they are paid a minimum of a 2 hour call back rate, which is considered overtime.

For the public works department, there was 38% of the budget spent. The snow/ice budget is in a deficit due to early in the year snowstorms. There were also administrative division increases as well because they filled the engineering assistant position. The maintenance division has gone up over last year due to adding handicap accessible bathrooms, which has cost about 50,000 dollars so far. Chairman Clement asked if this money came out of the 100,000 dollar maintenance fund, pointing out that it is chewing up a lot of the budget. He asked if the cost was contracted out. Ms. Chester and Mr. Dean responded that there is some outsourcing involved and that she could get a specific breakdown. Offsets include the timing when payments happen.

Continuing with public works, highway and streets tend to be late summer and early fall. Usually, they are at 20% spent. With solid waste, there was a new contract signed with Waste Management. Chairman Clement asked what the budget was this year for snow and ice. Ms. Chester answered that it was 281,630 dollars, and that we spent about 319,473

dollars. Selectmen Clement asked if we could get 2015's numbers, and she said that we could. Selectman Chartrand asked where the reserve stood. Ms. Chester responded that there was at least 50,000 dollars to cover the 38,000 dollar deficit.

The welfare department is overbudget and has expended about 113%, but the town is getting money from the Wentworth trust that almost matches it. 23,000 dollars was reimbursed out of 42,000 dollars. A committee was formed to decide on 100,000 dollars for human services this year. Mr. Dean clarified that the Wentworth trust has existed for a long time, and that we get reimbursed with money from it as opposed to the trust paying directly as it did in the past. Chairman Clement asked what the welfare costs were. Ms. Chester said that the net income is about the same as last year at around 1.6 million dollars compared to 1.7 million.

Water fund revenues are 1.55 million versus 1.23 million dollars, thanks to rate increases in water. She said this was a good development because the town had a large debt payment of 366,000 dollars. Out of these 366,000 dollars, 307,000 dollars was debt service from the Lary Lane Ground Water Treatment Plant.

Currently, the town is still in a decreasing deficit of about 140,000 compared to 148,000 dollars last year. Chairman Clement asked if the deficit will be 280,000 dollars at the end of the fiscal year. Ms. Chester responded that they are actually projecting that the deficit will become positive.

She said that sewer is doing much better, and that it is up by 923,000 dollars due to rate increases. We will see increases in debt service as well. The net deficit from last year has decreased. Mr. Dean commented that we should remember that we have 3 uneven districts in terms of revenues, and that they might be billed at different times. He said we have to remember to track it all the way through the entire 12 months. Selectman Chartrand said that he appreciated the projections of small surpluses due to the rate increases.

Ms. Chester then went into revolving funds. EMS 287 versus EMS 299 was a light decrease. Overtime is down in this fund, but the call volume as of the end of the first quarter was up. Mr. Dean said that we did better than 170 lift assists last year, and that we are breaking down that aspect of service because of revenue. Selectman Chartrand asked if it was both residential and institutional. Mr. Dean replied that it was both. Chairman Clement said it was mostly institutional.

Mr. Dean said they are analyzing the EMS services because of concerns over the impact on staffing situation. It may count as increased EMS activity but there may not be any billable results from it. They will hear more about it during budget discussions for next year. Will also talk about the collection rate. Planned spending for EMS is 70% spent. Last year there was no paramedic training, and this year it is about 11,000 dollars for training. It is still within budget. There is a current income increase of 13,000 dollars over the prior year.

For cable TV, the town got paid for the first quarter for Comcast. Revenues were 82,000 split in half. Have hired a full-time worker in IT, his time is split half with IT and half with cable. There was also an increase in part time wages. There is a net deficit but it will improve over time. Finally, the recreation revolving fund is doing well. Revenues are up over prior year by 72,000 dollars. There were expansions in the programs and increases in wages that were offset by higher fees for camp programs. A big contributor is the Powderkeg in the fall. Chairman Clement asked about the McKay Drive project on Epping Road. It was clarified that they were collected recreation fees from resurfacing the tennis and basketball courts.

b. Ad-Hoc Human Services Committee Funding Update

Christine Soutter spoke on behalf of the ad-hoc Human Services Committee. She began by explaining that the committee has been busy redefining the criteria for the funding process, and that led to them being able to review current applications. They were given a list of criteria and asked how they were going to expend the 100,000 dollars. Selectwoman Surman asked how Seacoast Eat Local would fit into this criteria. Soutter explained that they considered Seacoast Eat Local a basic human need since they deal with food, and have a matching grant program for people with SNAP cards, a form of food assistance. Selectman Chartrand commented that Seacoast Eat Local primarily promotes local growers, but that they also have a charitable aspect. He also commented that the criteria for applications is the most succinct he had ever seen, and complimented the committee on this. Soutter responded that it was very challenging to decide where to allocate the money, and how much to allocate.

Chairman Clement asked what the change in the criteria was, and that the Board of Selectmen should have more opportunity to review it. Ms. Soutter asked where the previous criteria came from. Chairman Clement answered that it was from a long standing process with the budget committee. Selectwoman Gilman said that the criteria covers what the Board had discussed, and also commented that the form had been redesigned a number of times which made it more complicated. Ms. Soutter said that the application itself had not been updated in many years and that there was some support in making updates to it.

MOTION: Selectman Chartrand moved to accept the funding distribution, Selectwoman Gilman seconded the motion, and it passed unanimously. It was agreed to begin distributing money to the agencies who had been selected.

c. 79-E Public Hearing – 1 Franklin Street (Long Block Condominiums)

MOTION: Selectwoman Surman moved to open the public hearing on this topic. Selectman Chartrand seconded the motion. It passed unanimously.

Darren Winham said that in looking at the application, they looked at whether it qualified as a historic structure and whether it met substantial rehabilitation needs. Only the condos in the back would be affected, so they took the addition of those condos and confirmed that they are investing 15%, so they believe it meets substantial rehabilitation

needs. They are requesting the full amount, which is up to 5 years if you qualify, and up to 4 more years because it is a historic place and is on the register of historic places. In total, the applicants are seeking 9 years of property tax relief.

The applicants were assessed 104,000 dollars for those 4 additional units, and the amount of work to be done was close to 30,000 dollars which is close to almost 30% of the assessed value. The applicant stated that there were 3 criteria that he believed they met. The first is whether the project provides economic vitality. He stated it creates professional services from people who work there that come from out of the area. Second, does it enhance a historical structure? He stated that the building was built in the early 1800's. Third, does it promote development for a greater sense of community? He stated that he has received numerous compliments with the work that has already been done on these refurbished buildings. This would be the final third of the project.

Selectman Chartrand asked if the benefits would flow to all the owners of the condos. The applicant responded that they own all of those 4 condos in question, and the tax breaks would only be for those 4. They own 75% of the whole building. Selectman Chartrand asked if there was more work to be done to the building as a whole. The applicant John Dal Santo responded that there may be, but they would have already received relief and would likely not apply again.

Selectwoman Corson asked how many other condos are in Long Block. He responded that there are 12 units. Corson asked if the applicant saw an increase in assessed value for the condos finished in the front. The applicant said no, the assessment occurred earlier than the work. Corson then asked if there was an anticipated change in value for the project. The applicant responded that he estimated about 10,000 dollars per unit, and a property tax rate of about 260 dollars per unit. Over 9 years, this would be roughly 9,000 dollars, and they are putting up about 30,000 dollars. He stated that those units have been flooded on a regular basis and need the upgrade.

The public was invited to speak. Mike Dawley came to the microphone and reiterated his support of 79e. However, he believes this application is problematic because there are multiple owners. The properties received a reduction in value due to the water issue, and will continue to have the problem until the next reassessment. They would still get a relief from the town. He asked if the 4 units cover the whole back wall of the property. The applicant responded that yes, it would cover the back of the property. Says it is a policy issue, and that this program could improve the beauty of Exeter. The only entrances on the back side of the unit are for those 4 units.

Mr. Dawley continued that he does not think that the property meets the criteria, and that two-thirds of the 30,000 dollars would be for paint and siding. He asked how much is going to be added value, and commented that only maybe 20% would be. The majority of the money spent would be cosmetic.

Selectman Chartrand asked who was paying for the improvements. The applicant responded that the condo association would. Selectman Chartrand would like to continue

the public hearing so that they can take a walk through, and said that maybe it is not the right application for 79e because the condo association is paying. He is concerned the values are artificially low because they are pre-dam removal. Chairman Clement responded that the Board of Selectmen's duty is only to determine if the information has been met. Has one or more of the public benefits in section 7 been met? Selectwoman Corson agreed. She asked what a condo on the second floor would assess for, and expressed concern that they do not have enough information. The applicant replied that commonly, commercial real estate is typically what profit is times 10. So, the top floor is valued at twice as much.

Selectwoman Gilman expressed her reservations with the ownership issues. The applicant said he did not have all the numbers with him, but could provide them. Selectman Chartrand and Selectwoman Corson wanted to know what the best practices would be. Chairman Clement said that has nothing to do with the application, which Corson disagreed with.

Mr. Winham said that when something this challenging comes up, they may need 2 public hearings because each condo is different. Mr. Dawley pointed out that the condo association would pay a special assessment, but that only 4 units would get the benefit. The applicant said that they are the actual taxpayers for the units. The individuals would be paying the taxes. He understands this will be a challenge. Selectman Chartrand asked if we had the date of the next meeting. The board decided to meet on August 7th, 2017 next.

MOTION: Selectman Chartrand moved to keep the public hearing open until August 7th. Selectwoman Gilman seconded. The motion passed 4-1-0, with Chairman Clement voting nay.

d. Discussion: Swasey Parkway Pavilion Surplus Funds

Town Manager Russ Dean stated that the question came up about excess funds leftover from the pavilion construction on Swasey Parkway around 2007. The money is in an escrow account held by the town, and there needs to be a purpose establish for it. He suggested a warrant article that would create a capital reserve fund to create maintenance. Selectwoman Surman agreed with Mr. Dean, and that it makes sense for the town to take over the fund for the pavilion because then the pavilion would become a town building. Since some of the events have fees, she said, half could go to trustees and half could go towards other events.

Mark Damsell came to the microphone and said that he is not sure what is left in the escrow account, but attested that some of the shingles on the roof of the pavilion are beginning to disappear. He suggested replacing the roof, and said that the town needs to find out what the costs of repair are to the roof.

Selectwoman Gilman said it was often brought to their attention that the town only owns the roadway, and that the trust money hasn't been accessed and should be figured out. She agrees with splitting the maintenance and fees. Selectman Chartrand and Chairman Clement think it would be a great idea to put on warrant.

8. Regular Business

a. Tax, Water/Sewer Abatements & Exemptions

There were none to report.

b. Permits & Approvals

There were a couple of permits to go over. Mr. Greenwood of the RPC was looking to use the town hall on Friday, July 28th, 2017, for a retirement function from 3pm to 6pm.

MOTION: Selectman Chartrand moved to approve the use of the town hall. Selectwoman Surman seconded the motion. The motion passed unanimously.

Scott Ruffner from the TEAM Harvest Fest was looking to use Swasey Parkway on September 23rd, 2017 from 8am to 7pm, closing the roadway. It had already been approved by the Swasey Parkway Trustees.

MOTION: Selectman Chartrand moved to approve the use of the park and the closure of the road on that date. Chairman Clement seconded the motion. The motion passed unanimously.

Town Manager Russ Dean brought up that the Town of Exeter agrees to adopt the rules of the health code and to maintain records that would otherwise be maintained by the state. This would last for 3 years. It is a memorandum of agreement between the Town and the State of NH Department of Health and Human Services.

MOTION: Selectman Chartrand moved to approve the memorandum to provide health services at the local level. Selectwoman Surman seconded, and the motion passed unanimously.

Next to be brought up was that the town voted to discontinue Gilman Street a couple of years ago, and that some street names have to be changed. Because all applicants agreed to the new changes, they could vote on and adopt the new names.

MOTION: Selectman Chartrand moved to accept all new street names at state in the document 7-13-17. Selectwoman Surman seconded. The motion passed unanimously.

c. Town Manager Report Dean:

The Town Manager, Russell Dean, started out his report by saying that the PEA meeting was currently working on scheduling but has not pinned down a date to meet. He then brought up that there was a suggestion to put an additional signboard at Gill and Lindon streets to advertise that these streets could be used as part of the Court Street detour. They are trying to get that sign within the next week. Chairman Clement pointed out that the

speed of some cars coming down Gary Lane is really fast, and asked if the town could put up an electronic speed monitor. Dean responded that one is already present.

Next, Mr. Dean said that the office got a call about heavy truck traffic on Winter Street. An ordinance allows heavy trucks through for deliveries, but the question is if the trucks are simply using Winter Street to cut through. It has been referred to the police. He also brought up the fire department, and that we are already looking at the activity and data present there. The town of Kensington reached out about the EMS services here, and wanted to know if Exeter could cover them for EMS.

Finally, it was brought up that the Seacoast Mental Health wants to buy property on Prospect Street for additional parking. Selectwoman Corson asked if there was another user that may want to buy the property. The board agreed the Mr. Dean will start the process.

d. Selectboard Committee Reports

e. Correspondence

There was a memo from the Coalition Against Bigger Trucks about the dangers of heavy trucks, and a letter from Seacoast Mental Health expressing interest in the property stated above for use as a parking lot.

9. Review Board Calendar

The next meeting will be on August 7th, 2017.

10. Non-Public Session

There was no non-public session.

11. Adjournment

MOTION: Selectwoman Surman moved to adjourn the meeting at 9:45pm. Selectman Chartrand seconded, and the motion passed unanimously.